



**SOCIAL POLICIES LEAN ON DEFICITS IN LABOUR REGULATION IN AUSTRALIA  
TO FUEL JOBS GROWTH AND REDUCE WELFARE DEPENDENCY**

**Dr. Veronica Sheen**

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**veronica.sheen@monash.edu**

**(61)417512304**

## **Abstract**

Australia has achieved exceptional results in recent years in sustaining employment levels and reducing welfare dependency. But these results are achieved in part through a growing pool of poorly regulated casual and other insecure jobs. Social policies encompassing low unemployment benefits and vigorous welfare-to-work approaches delivered through a 'marketised' employment services system serve to channel unemployed and disadvantaged workers into these jobs.

While Australia may be weathering the present tide of subdued economic prospects across the globe comparatively well, its model may be setting the scene for longer term structural weaknesses and subverting an inclusive labour markets, inclusive growth agenda. Stronger labour regulation especially in relation to casual employment, better investments in human capital across the life course, and adoption of employment retention and advancement social policies will be needed for long term sustainable and inclusive social, economic and labour market outcomes.

## **Introduction**

The focus of this paper is on the role of social policy as a factor that contributed to Australia's success in holding up employment levels through the global financial crisis (GFC) and its aftermath. It aims to interrogate how social policy and the labour market regulatory framework interact to sustain employment levels. As one of the few developed countries that survived the GFC relatively unscathed, it may well be asked what it is doing right and what elements of the model might have more universal applicability. But equally, it is important that the costs and deficits in the model are understood with a view to the implications for an inclusive growth path for the future.

The paper draws on studies of women in low paid and insecure employment undertaken between 2007 and 2011 (Sheen, 2010; Sheen, 2011).<sup>1</sup> While focusing on female employment, many of the findings are equally relevant to male employment. Through detailed, in-depth inquiry with eighty individual workers and interrogation of large surveys and data sets, the studies examined pathways into precarious employment, the experience of precarious employment, and the social policy context relevant to the women's lives. The research substantiated the findings of larger, quantitative studies discussed in this paper and was consistent with the findings of the Independent Inquiry into Insecure Work commissioned by the Australian Council of Trade Unions in 2011-12 (Independent Inquiry into Insecure Work, 2012).<sup>2</sup>

The paper is divided into several parts. The first part considers the main characteristics of the Australian labour market beyond headline unemployment rates, including its high level of casualisation, underemployment and other variations on non-standard, precarious employment. It discusses its persistent gender inequality. The section also discusses the role of work intensification and workplace surveillance and monitoring, as important dimensions of the type of systemic

changes taking place in Australian employment and contributing to employment insecurity. The second part of the paper, considers the major regulatory and policy frameworks which have contributed to the development of employment insecurity in Australia. It provides an overview of the major deficits in labour law and analyses the complex role of social policy settings in supporting the growth of precarious employment. The third part of the paper, examines the implications of a high level of employment insecurity for social inclusion and inclusive growth strategies leading into a discussion of the pathways from insecure into secure employment. The fourth and final part of the paper, proposes that social policy must be central in inclusive growth agendas in tandem with labour laws that promote the growth of decent work.

## **Part one: Australian employment in overview**

### **Casualisation and underemployment**

Through the GFC and into 2013 there have been marginal changes in the Australian labour market from the pre-GFC era of the previous 10 years. Unemployment increased from a low of 4.3 percent in 2007 to a high of 5.8 percent in 2009, and sits at 5.5 percent in the first half of 2013. Labour force participation rates grew two percentage points over the ten years 2003 to 2013. However, underemployment also grew from a low of 6 percent in 2008 to its current level around 7 percent but has hovered between 6 and 7 percent for the last 20 years.<sup>3</sup> In addition, the levels of casual employment at 20 percent of the workforce have hardly changed since the year 2000 (Shomos et al., 2013, p. 1). The essence of Australia's success story is that it encompasses both very high levels of underemployment and non-standard employment, particularly casual employment defined by the Australian Bureau of Statistics as jobs without paid leave entitlements<sup>4</sup>, but which are, of course, also jobs which enable termination without notice.<sup>5</sup> A recent OECD report says that the level of underemployment at 7 percent is the highest in the OECD and the level of casual and part time work also comparatively very high (OECD, 2012, p. 15). Altogether 12.5 percent of the workforce in 2013 has no work or not enough work.

### **Gender and the workforce**

There is a very strong gender dimension to both underemployment and workforce casualisation in Australia. Twenty-three percent of the female workforce (1.1 million women) compared to 16 percent of the male workforce, work in casual jobs which are also mostly part-time.<sup>6</sup> This means that many women in part-time, casual jobs are also underemployed. In the first half of 2013, 9.5 percent (525,000) of the female workforce compared to 5.4 percent of the male workforce, has insufficient hours of work. Fifteen percent of the female workforce is either unemployed or underemployed.<sup>7</sup>

The full time unemployment rate for women is a full 1 percentage point higher at 6.5 percent than the rate for males. A further 600,000 women are marginally attached to the labour force, and want to work although they are currently not looking for work. While arguments can be submitted that women prefer casual work for its flexibility to fit with family and care, the scale of underemployment suggests that much of the take up of part-time, casual employment is a 'constrained' choice due to a lack of better options. While Australia's minimum wage is not low by international standards at close to \$16 per hour<sup>8</sup>, low incomes are sustained through insufficient hours of work and unpredictable work routines in much casual employment.

Eliza, a woman in her 50s working in a call centre, explained: *'casual (work) is very unsettling and uncertain. Often I've been told, 'Oh, the shift has now been cancelled' so I've been called at the last to be told that. I'll think I'll have some shifts and some income coming in and that's taken away from me – and it's as if the rug has been pulled out from under your feet. So suddenly you don't have the focus of work and you don't have the income.'*

The high levels of underemployment and casualisation in the female workforce are consistent with the high levels of gender segregation by industry in Australia with 53 percent of the female workforce in four industry sectors: health care and social assistance (20%), retail trade (13%), education and training (12%), accommodation and food services (8%).<sup>9</sup> These are all industries with high levels of workforce casualisation.<sup>10</sup> There is an intransigent gender pay gap at 17.6 percent of average weekly ordinary time earnings in Australia. This also relates to the high level of gender segregation in the labour market and the lower valuation of women's earnings in feminized industry and occupational sectors.<sup>11</sup>

### **Growth in other non-standard forms of employment**

Male employment is much more widely dispersed across industry sectors but is affected by employment insecurity in other ways. Increasing prevalence of fixed term employment arrangements, independent contracting, labour hire and other non-standard forms of employment has taken a toll on employment protections and conditions for men also. The growth in insecure work is now led by these forms of employment rather than casualisation which has been static in the last 10 years or so, as has been noted above (Independent Inquiry into Insecure Work in Australia, 2012, p. 14; Shomos et al., 2013).

Independent contractors make up 9 percent of the Australian workforce, and 73 percent of contractors are male.<sup>12</sup> There is a body of research which suggests that a significant portion of contracting is in fact a dependent relationship with a single client which may have been activated as

a company retrenched employees but reemployed the same workers as commercial contractors or business operators (Johnstone et al, 2012; Independent Inquiry into Insecure Work in Australia, 2012). Contracting may occur at multiple levels along a supply chain with employment conditions becoming progressively worse the further down the line, with outworkers at the bottom end in some industries (Centre for Employment and Labour Relations Law, 2012, p. 20).

Fixed-term contract employment is prevalent in many feminized sectors, including 'education and training' and 'health care and social assistance' which are heavily reliant on government funding attached to renewable tendering for contracts sometimes as little as one year. The Independent Inquiry into Insecure Work found that government procurement and funding arrangements have severely compromised employment in these key sectors delivering vital human services over the last twenty years. A participant in my research employed on a fixed-term contract reported:

My current position is in the community health sector...The shaky basis of employment does weigh on you. There are only three full time staff and the rest on contract part time, around 35 in all. You're well aware if you don't get on with your employer you might find that when your contract is for renewal you might not be in the running for it so people tend to make a lot of compromises in work situation.... tend not to bring up issues they might want to with their employer because they would rather just sit on the fence and this fortnightly wage because they don't want to rock the boat.

### **Work intensification, surveillance and monitoring**

It is equally important in any discussion of changes in the labour market to recognize the extent of change within the labour process itself: how work is organized and performed with its links back to the systematization of production methods pioneered by Frederick Taylor in the late 19<sup>th</sup> century (Taylorism). In my research, work intensification combined with surveillance and monitoring of performance, in a range of jobs emerged as one of the most distressing aspects of the experience of precarious employment. The link between greater job insecurity and work intensification was explored in a Rowntree Foundation Study undertaken in the UK in the 1990s, revealing impacts on the health and well-being of workers (Burchell et al., 2002).<sup>13</sup> These experiences echoed those of participants in my research.

Working in a factory, Margot reported:

Because it is a casual workforce, they can monitor how quick you are. All those people in the office, white collars, they're working out who's fast and who's not. And if you are not up to it – because they have you through a (labour hire) agency, you're not back there. It is like human battery hens.

Work intensification in an administrative role in a public sector organization had forced out permanent employee, Laura:

We were monitored on an hourly basis against performance benchmarks and if we did not reach them you would receive an email so there was a lot of pressure. They were always watching over you. There were productivity bonuses for the office, they called it team work, but it was a real pressure cooker. In nine years the individual benchmarks were doubled. Most people really struggled on a daily basis to make it.

Losing her permanent job, she became long term unemployed with more vulnerability to such practices in a probationary position she was compelled to accept under welfare-to-work requirements as discussed further on:

They graphed my performance which was 5 per cent below the average at the beginning. By the end of the probationary period, I had achieved the average but I had already been sacked on the basis of the earlier performance. As a human being you are expendable.

The pressures in call centre and market research work are described by Eliza:

There is a strike rate or quota per hour so they want a certain number of interviews per hour completed and they average out to what they think is achievable and they average out by looking at the number of people in the project and how many interviews they need per hour from each person on the project. What they do is take an average, worked out mathematically and the average is what they expect, that and above but not below. If it's below, every hour or two they will be coming to you to tell you that they have just had a printed list of the lapse time between calls you've made, how long you were on each interview and how many interviews you've got this far.

In the cases cited here, work intensification strategies are used instrumentally for a range of purposes: as a way of turning up the pressure so that people leave jobs of their own accord perhaps saving redundancy payments; letting go a probationary worker who doesn't fit in; and, of course, to coax additional effort. At a company in Australia in 2012, increased performance benchmarks (work intensification) was used as a retrenchment strategy for 'low productivity' workers.<sup>14</sup> So it is a useful tool for companies wishing to maximize labour flexibility.

Changes to forms of employment, as in workforce casualisation, have profound implications for labour processes. As in the cases noted above, work intensification and performance surveillance and monitoring, contribute significantly to insecurity across a wide range of occupations and industry sectors. They are arguably, insufficiently accounted for in employment protection systems under labour law. As collective mechanisms for protecting rights at work diminish with the growth of insecure, non-standard forms of employment, it is not surprising that work itself becomes progressively degraded and dehumanized.

## Part two: The context: labour law and social policy

### Regulation in the Australian labour market

It is not so much that the Australian labour market lacks regulation but that there are gaps and deficits that enable the proliferation of low end jobs, and which exclude protection of certain classes of workers. There is also a well documented failure in labour law to keep pace with developments such as dependent contracting described earlier (Johnstone et al., 2012). Casual workers are outside the ambit of most of the National Employment Standards which cover paid leave entitlements, unpaid parental leave, termination and redundancy pay, and rights to request flexible working arrangements.<sup>15</sup> Casual workers can be employed indefinitely and there is a growing phenomenon of 'permanent casuals'. Whereas casuals were once an adjunct to a permanent workforce in busy periods, the business models in many industries are such that casual and contract workers are an integral part of ongoing workforce arrangements and not just a supplement to a permanent workforce in busy periods. The higher education sector is a case in point.<sup>16</sup>

Around 43 percent of casuals in 2011 had been with the same employer for between one and five years, around the same proportion who had been with the same employer for less than one year.<sup>17</sup> Labour laws which enable conversion from casual to permanent status are very weak.<sup>18</sup>

In my research, there were examples of women who had been in casual or fixed term contract positions with employers for very long periods and had not been able to convert these into permanent work. Maureen had been with the same community service for 9 years.

I have asked to go permanent part time many times....all I wanted was the pay I would be getting divided over 52 weeks, I didn't want any more pay. I just wanted a weekly wage but they wouldn't do it... I am just stuck in this limbo of casual. It means I don't get paid over the school holidays and there is no sick leave and last year I was sick for two months and out of work for two months. Over the school holidays, I just have the minimum pension and family payment...if I had (security of income) I would be able to budget better... I am living in a deficit, weekly, fortnightly, the credit cards maxed out

We can see how a failure in regulation of casual employment has led to a situation of long term social disadvantage for this woman.

Sharon, 52, had a series of fixed-term contracts over seven years in university administration but at the time of interview, had been moved into a casual employment arrangement and was concerned that the leave entitlements she had accrued would be lost. She also reported on the ongoing stress and anxiety of always having to worry about what would happen next in terms of her employment:

They are only supposed to give you three contracts before they have to make you ongoing (permanent) but then they say that is with one faculty or one unit... I was talking to one lady the other day and guess how long it has taken for her to get ongoing (employment)...ten years!

In this case, the faculties of an Australian university are organized as discrete business units which disallow continuity of employment and associated entitlements for workers moving between different faculties. In universities, fixed term contracts are also set to strategically expire before university holiday periods to preclude holiday payments and other entitlements (Independent Inquiry into Insecure Work, 2012, p. 58).

A range of other problematic situations emerged in my research which did not contravene labour laws but pointed to its various gaps and deficiencies in enabling employers to reduce liabilities for entitlements while maximizing workforce flexibility. There were examples of blended permanent-casual arrangements where the worker has permanency for a minimal period in a week, say one day, but further hours are 'on call' and casual, and even the 'permanent' component of the job may not comprise regular hours of work. The one day per week permanency means the employer can effectively tether its casual workforce through provision of a minimal level of security and occupational benefits, while keeping its liabilities for these benefits to the bare bone.

A few women spoke about their recent experiences of 'probationary' employment (as in the case of Laura discussed in part one). In this status they were employed on the basis of being offered permanent employment if their performance conformed to the standard required, or a notional expectation on the part of the employer such as whether the person was 'a good fit'. Standing says of this employment status that 'extending probationary periods is a method of casualisation by stealth' (Standing, 2008, p. 24). The women who had recently been in probationary employment spoke of poor treatment and arbitrary decision-making about their performance. They had been dismissed at or before the end of the probationary period. One woman reported that there had been a payment made to an employer by an employment service provider as an incentive to take her on but she lost the job after the minimal period of employment required.

Precarious employment in Australia is sustained by deficits in labour law as discussed in this section. However, it is the particular interaction of precarious employment with the social policy settings that greatly magnifies its social effects and raises a range of questions around an inclusive growth path in Australia.

### **Social policy**

Unemployment payments and work search assistance as the key mechanisms of social protection for labour market risks play a complex role in sustaining the take up of precarious employment in

Australia. Unemployment payments (Newstart Allowance) are set at a very low rate, 21 percent below a poverty line of 50 percent of median income for a single person (ACOSS, 2012).<sup>19</sup> This means that there is a lot of pressure on unemployed people to take low end and casual work just to survive. As one participant (Bernadette, 52) in my research said – *you just simply cannot, nobody, absolutely nobody can live on (unemployment payment)... you just can't do it. Anyone who is on it must be doing something else.* Her comment suggests that the low payment may push people into 'grey economy' employment that is undisclosed for tax and social security purposes. We might conclude that there are large deficits in employment protections for such workers. Some women I interviewed reported that they worked on a cash-in hand basis for wages less than the minimum wage. The social security income test is also harsh with earned income over \$31 per week reducing the level of benefit at 50 cents in the dollar.<sup>20</sup>

The employment services system applies a tough welfare-to-work regimen of intensive job search and requirements to take up any job deemed 'suitable' under social security law. This also includes casual and part-time work.<sup>21</sup> The unemployed do not have the option of holding out for a better quality job or even a full-time job which may mean they are underemployed in part-time jobs. Once in employment, they cannot then access further assistance. In my research there were examples of women who had been undertaking training for work that they wanted, in sustainable occupations, but were not permitted to continue because of this requirement.

It is not only the welfare-to-work requirements embedded in government policy settings that drive the high level of employment outcomes. The model of the employment services system itself gives an extra lift to the outcomes.

The public employment service system<sup>22</sup> was phased out after 1998. Employment services were subsequently 'marketised' through a competitive tendering process amongst for-profit and non-profit employment service providers, and for a time, a government provider. Some of these were originally human resources or personnel agencies, others were non-profit welfare service providers that had long standing interests in assisting the unemployed. The providers are paid for their success in achieving job placements against a complex set of criteria (Davidson and Whiteford, 2012). Subsequent contracts are awarded on performance in relation to success in job placements. While there are concerns that the system creates incentives to neglect more disadvantaged clients, perhaps the greater concern is the inbuilt incentive to coerce the unemployed into employment that they might not be in their best interests over the long term. In fairness, the provider is only implementing government policy, however there is surely a level at which the self-interest of the

provider in obtaining the all important employment outcome, and the interest of the unemployed individual are not necessarily the same as the following vignette illustrates.

Janine, aged 52, had raised a large family but divorced and became unemployed. She was attached to an employment service provider to assist her with her job search efforts and retraining. *They wanted me to do a course that lasts a few weeks and be in work straight away. And I thought, I've done all those menial jobs. I want to do something different, something I like.* The rigid welfare-to-work requirements meant she worked part-time as a cleaner although she sustained a repetitive strain injury which made this work very painful. She won't be eligible for an age pension until she is 67, which means at 52 she has another 15 years of potential workforce participation which is likely to be compromised by unsustainable employment. She had identified an interest in working as a carer in the mental health sector, had started relevant training, but had been forced to give it up to take a cleaning job the employment service provider found for her. The employment service provider would have been able to claim a positive outcome when Janine started her cleaning job and may have obtained a payment for this. It wasn't much of an outcome for Janine though.

The OECD in its recent report on Australia's employment services concluded that *the effectiveness of quasi-market delivery of employment services and a slow decline in the net replacement rate for unemployment benefits may have contributed to the strong performance of the Australian labour market* (OECD, 2012, p. 13). It reports that the aggregate outcome of these policies was to reduce the proportion of the working-age population in receipt of benefits from 21.3 percent in 1996 to 15.2 percent in 2007.

It is troubling that below poverty-line unemployment payments and a 'marketised' employment services system should have such a strong effect on the Australian labour market. Desperation and coercion are surely not viable paths to an inclusive society and productive economy. One can only conclude that these factors have a distorting effect on the labour market, facilitating the proliferation of low end jobs, and promoting sub-optimal behaviors and decisions on the part of the unemployed, underemployed, employment service providers and employers. Of considerable concern also is the effect of such policies on core gender equity objectives in a labour market marked by high levels of gender inequality across multiple dimensions. Further concerns relate to the erosion of human capital that is embedded in low end employment, and the exposure of vulnerable workers to harsh labour processes.

There is one argument that holding a job confers social inclusion, and another, that a low end, casual job is the bridge to better employment. While there is truth to both assertions, they are also contestable and flawed on a number of grounds.

### **Part three: Implications for social inclusion and inclusive growth**

#### **Employment-based social exclusion**

The Australian experience of sustained jobs growth through the GFC suggests how difficult it is for any country to find an inclusive growth path. Esping-Andersen proposes that there is an 'equality-jobs' trade off around which countries have a choice (Esping-Andersen, 1999, pp. 107-111). The first choice encompasses low wage job growth primarily in the service sector based on labour market deregulation and minimal social protections. Under this scenario, there will be high levels of employment but also high levels of inequality as a result of the polarisation in the job market between good and bad jobs. The other scenario is to maintain a high level of working conditions and wages along a more regulated route but that will ensure that there will be plenty of unemployment and 'outsiders' which may include early retirees, women and youth.

Australia's route most closely aligns to the first option (although there are elements of the second), of high jobs growth along a more loosely regulated route and minimal and contingent income support protections. But there are implications for inequality, as Esping-Andersen points out. Social disadvantage becomes entrenched within jobs and real levels of social exclusion persist. It is a more complex phenomenon than the 'working poor'. It is a divide between different classes of workers.

As Patricia (54) who worked as a casual administrator in a public hospital explains '*there is no training, no one talk to, you are not considered part of a team and there is no sense of being part of a team – just called to work as to how you can be useful. Very perfunctory.*' She also said that there was no support for casual staff, nor were they given information about issues in the work setting. She also felt that she was in a competitive position with others for available work, setting up uncomfortable relationships with co-workers. A number of women in my research spoke of being treated like a 'piece of meat', 'a number' or a 'commodity'. Casualisation and other forms of employment insecurity, including work intensification, promote labour commodification which in itself is a significant aspect of social exclusion. This was graphically illustrated by stories of workers being forced to wear identifying clothing, or in one case reported last year, a barcode which is by all accounts becoming a standard practice in some industry sectors.<sup>23</sup>

It is very challenging to old ideas about a job as a principal source of social protection that a job itself can be a source of social exclusion and do little to ameliorate social disadvantage. Job insecurity, harsh labour processes, divisions between classes of workers as well as low and unpredictable incomes take their toll on social equality. The question is whether there are bridges to better jobs and whether individuals can access the means for securing occupational progression.

### **Transitions to decent work**

Some insight into mobility from insecure jobs to secure jobs is provided by The Australia at Work survey involving a longitudinal survey involving around 7000 participants with data collected in 2006, 2007, 2008 and 2009 on labour market movements. The survey found that between 2007 and 2009 only 20 percent had moved into work *with* paid leave entitlements, 37 percent were still in a job *without* paid leave entitlements and 17 percent had dropped out of the workforce. The researchers comment that ‘precarious employment may, in some cases, be a stepping stone into the workforce, in other cases, it can be an exit door out of it’ (Workplace Research Centre, 2009, p. 50). The research suggests that insecure employment can have a ‘lock-in’ effect and that there is a lot of churn between work and welfare.

Further information about labour market transitions can be gleaned from the large scale longitudinal Household, Income and Labour Dynamics of Australia (HILDA) Survey of the Melbourne Institute<sup>24</sup> involving participants whose situation has been tracked annually since 2001. Watson, in his analysis of HILDA data, observes that ‘part-time employees (are) more likely to end up outside the labour market (16 per cent)...among part-time casual employees about half are still in that category the following year, while about one quarter have moved up into permanent jobs’(Watson, 2007, p. 35). Chalmers and Waddoups found that between 2001 and 2004 in the HILDA survey, that half casual workers ‘eventually move to permanent work’ but around 40 percent did not make a successful transition (Chalmers and Waddoup, 2007, p. 19). This accords with Pocock’s analysis of HILDA data in relation to transitions from low paid to higher paid work, concluding that ‘a sizeable minority (40.6%) of low-paid workers in 2001 had stepped up into higher-paid positions by 2002–03. However, over a quarter remained on low pay. A further fifth either slid from a higher-paid job back into low pay or were not working at all’ (Pocock, 2009, p. 13). It should of course be expected that there is movement both from low to better paying jobs and from casual to permanent jobs. A significant portion of the casual workforce consists of people in transitional life stages particularly in education and training. However, there is much evidence in the longitudinal surveys of entrapment in insecure work, which corroborates the findings of the Independent Inquiry into Insecure Work (2012) and my own research.

In addition, there needs to be more understanding of the vulnerabilities of particular groups to entrapment according to age and gender. Transitions can be particularly difficult for women, and men, who lose jobs in midlife, and find themselves subsequently on the treadmill of casual or other insecure employment over the very long term. This constitutes a significant social risk through downward social, economic and occupational mobility as well as the loss of their skills set. A number of women in my research had university level qualifications but had lost or left jobs in midlife due to organizational change processes. Subsequently they faced a difficult period of job search, of which the outcome was long term entrapment in casual or fixed term employment. Stephanie, 49, had had a successful career as a senior public sector official but had only been able to find short term casual jobs subsequently. She commented, *'I actually thought I had some transferable skills that would be useful in a whole lot of areas, but it was really hard trying to find some work.'* While skills senescence maybe a barrier, the more likely explanation is simply a lack of opportunities for secure employment combined with some age discrimination.

Barriers to better quality employment for disadvantaged women are very pronounced. The social policy settings provide few avenues for improvement of employment prospects. Disadvantaged women in my research were channeled into low end employment regardless of their own desires and needs for decent work. They had no capacity to fund the training they needed for a better occupation and could not afford to relinquish what work they did have to attend any training courses.

#### **Part four: Conclusion - social policy for inclusive growth**

As the global economy recovers, there will be many challenges in ensuring that existing inequalities within and between countries are not exacerbated by growth paths which relegate significant portions of national workforces into precarious, low end employment. President Barack Obama, in his 2013 State of the Union Address<sup>25</sup> said that a priority for his second term of office was the creation of 'middle class' jobs. But what did he mean by 'middle class' jobs and how realistic is the re-creation of old-style 'middle class' jobs in the United States or anywhere else. A simple understanding of 'middle class' jobs would be that they offer decent pay and job security. They are jobs which enable individuals to establish a routine in their lives, to plan for the future, to sustain debt repayments especially for housing, and to provide for dependants. These fundamentals of working life were unable to be realized by many of the participants in my research and that of the Independent Inquiry into Insecure Work (2012). The title of its final report *Lives on Hold* well encapsulates the problem which I also observed. Few women in my research wished to talk about the future because of the painful implications of how their present employment and economic

circumstances were laying the foundations for social risks in the future such as poverty, ill health, and social exclusion. Bourdieu in his famous essay of the 1990s, *Job Insecurity is Everywhere Now*, summarises the problem, *the unemployed and the casualised workers having suffered a blow to their capacity to project themselves into the future* (Bourdieu, 1998, p. 83). This is hardly the ground in any country for good decision making, human capital formation, and advanced levels of productivity and innovation.

Clearly regulating for decent work will be a core task in ensuring that there is an expanding pool of 'middle class jobs'. However, it is equally clear that social policy must do more of the heavy lifting in enabling workers to make transitions between unemployment or insecure work into decent work. Drawing on the analysis of this paper, the most important, but vastly underrated role for social policy is in facilitating job mobility. This could have important effects in reducing entrapment in insecure jobs with all their negative effects, reducing labour commodification, and fostering the principles of 'decent work'. Employment Retention and Advancement (ERA) programs which have been trialled in the UK and USA over recent years need to become a mainstream part of what employment service providers offer (Hendra et al. 2011; Hoggart et al., 2006; LeBlanc et al., 2007, Navarro et al., 2007) . The best of these programs focused on the quality, pay and prospects of jobs, individual's long term goals, and sustainability within a job, in the unemployment/welfare-to-work transition process. ERA may also include provision of financial incentives through the tax or social security systems to ensure that work pays. A number of women in my research could have benefitted from such a program.

The need for multiple careers over one's life course amid the swiftly changing contemporary economy and labour market has been well documented, but not much supporting policy has ever been implemented to assist in career transitions especially for disadvantaged workers. There is also increasing pressure to continue employment to older ages with the age pension eligibility age set to increase to 67 by 2023 in Australia in line with similar increases in other countries. Many women (and many men) in insecure jobs cannot afford the costs of retraining and have no access to career advice and support. Social policy needs to actively provide financial assistance and decent levels of support for such workers to undertake retraining for better quality, sustainable employment.

These types of social policy would have profound impacts on human capital formation. Another OECD report tells us that *a large body of theoretical and empirical analysis exists on the link between investment in human capital and economic growth* (Thévenon et al., 2012, p.8). The report

particularly focuses on the positive impact of improving women's human capital on GDP growth. Davidson and Whiteford (2012, p.122) in their report to the OECD affirm that studies in the United States show that employment outcomes are better over the long term where programs focus on improving human capital. Both economic growth and individual employment outcomes, it seems, benefit from investments in human capital. And we may also conclude also, that it is a pre-requisite for social inclusion and an inclusive growth path.

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## Endnotes

- <sup>1</sup> International Social Security Association Conference paper: <http://www.issa.int/Ressourcen/Tagungsberichte/The-social-risks-of-precarious-employment-for-women>
- <sup>2</sup> Australian Council of Trade Unions: <http://www.securejobs.org.au/Home/Howe-Inquiry.aspx>
- <sup>3</sup> ABS: Labour Force Australia, Cat. No. 6202.  
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202013?OpenDocument>
- <sup>4</sup> ABS Australian Social Trends, 2005 Cat. No. 4102.0  
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/7d12b0f6763c78caca257061001cc588/40868763e5d4d172ca25703b0080ccda!OpenDocument>
- <sup>5</sup> Casual employees in Australia are paid a 'loading' for every hour worked to compensate for lack of entitlements.  
<http://www.fairwork.gov.au/employment/casual-full-time-and-part-time-work/pages/casual-employees.aspx>
- <sup>6</sup> ABS: Forms of Employment, Australia Cat. No. 6359.0, 2013  
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6359.0>
- <sup>7</sup> ABS: Labour Force Australia, Cat. No. 6202.  
<http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Apr%202013?OpenDocument>
- <sup>8</sup> Fair Work Australia: <http://www.fairwork.gov.au/pay/national-minimum-wage/Pages/default.aspx>
- <sup>9</sup> ABS: Australian Census, 2011
- <sup>10</sup> ABS: Forms of Employment, Australia Cat. No. 6359.0, 2013  
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6359.0>
- <sup>11</sup> Workplace Gender Equality Agency <http://www.wgea.gov.au/sites/default/files/2013-02-Gender%20pay%20gap%20statistics.pdf>
- <sup>12</sup> ABS: Forms of Employment, Australia Cat. No. 6359.0, 2013  
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6359.0>
- <sup>13</sup> Joseph Rowntree Foundation: <http://www.jrf.org.uk/sites/files/jrf/F849.pdf>

<sup>14</sup> The Conversation: <https://theconversation.com/toyotas-low-productivity-workers-and-the-problem-of-performance-assessment-6492>

<sup>15</sup> The National Employment Standards are embedded within Australia's Fair Work Act:

<http://www.fairwork.gov.au/employment/national-employment-standards/Pages/default.aspx?friendlyURL=1&nes>

<sup>16</sup> The higher education sector is a case in point where around 40 percent of the workforce consists of casual employees according to the National Tertiary Education Union. <http://www.nteu.org.au/article/NTEU-media-release%3A-Governments-must-listen-to-Insecure-Work-Inquiry-on-need-for-increased-investment-in-skills-and-education--12720>

<sup>17</sup> ABS: Forms of Employment, Australia Cat. No. 6359.0, 2013

<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6359.0>

<sup>18</sup> Fair Work Australia: <http://www.fairwork.gov.au/resources/webinars/pages/understanding-your-rights-and-responsibilities.aspx>

<sup>19</sup> Australian Council of Social Services: [http://www.acoss.org.au/uploads/ACOSS%20Poverty%20Report%202012\\_Final.pdf](http://www.acoss.org.au/uploads/ACOSS%20Poverty%20Report%202012_Final.pdf)

<sup>20</sup> Department of Human Services: <http://www.humanservices.gov.au/customer/enablers/income-test-allowances>

<sup>21</sup> The conditions for receipt of unemployment payments (Newstart Allowance) are set out under Australian Social Security Law section 1.1.A.40 – 'Actively seeking suitable work generally means full-time work but a job seeker who is capable of full-time work should seek and be willing to accept any sort of suitable work, including part-time and casual work and work that is not the job seeker's preferred work.' [http://www.fahcsia.gov.au/guides\\_acts/ssg/ssguide-1/ssguide-1.1/ssguide-1.1.a/ssguide-1.1.a.40.html](http://www.fahcsia.gov.au/guides_acts/ssg/ssguide-1/ssguide-1.1/ssguide-1.1.a/ssguide-1.1.a.40.html)

<sup>22</sup> The Commonwealth Employment Service:

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22media%2Fpressrel%2FBXR30%22>

To note that there was no government employment service provider after 2003:

<http://www.abc.net.au/pm/content/2003/s891668.htm>

<sup>23</sup> Sydney Morning Herald report: <http://www.smh.com.au/opinion/society-and-culture/armbands-with-barcodes-to-identify-casual-workers--a-sign-of-the-times-20120607-1zysf.html>

<sup>24</sup> Melbourne Institute: <http://www.melbourneinstitute.com/hilda/>

<sup>25</sup> White House: <http://www.whitehouse.gov/state-of-the-union-2013>